DEPARTMENT OF PUBLIC SERVICE REGULATION

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MONTANA

* * * * * *

IN THE MATTER Of The Application )
Of THE MONTANA POWER COMPANY'S )
Unreflected Gas Cost Account Bal- )　　UTILITY DIVISION
ance as of August 31, 1987, Its )　　DOCKET NO. 87.10.57
Gas Tracking Proposal for the )　　DOCKET NO. 87.10.58
Period September 1, 1986, to )　　FINAL ORDER NO. 5301b
August 31, 1988, and IMR Differ- )
ential Recovery. )
_____)

FINDINGS OF FACT

1.　On October 19, 1987, the Montana Power Company (MPC) filed its annual gas tracking application, which was denominated Docket No. 87.10.58.　On November 4, 1987, the filing was modified to reflect a lower rate base for the severance tax amortization adjustment.　The filing seeks approval of deferred gas costs as well as a gas cost for purposes of computing the base cost of gas for the ensuing period.　In addition to the annual tracker, MPC filed testimony and exhibits in Docket No. 87.10.57.　It seeks to recover balances which have accrued because of the difference

between sales made at the Interruptible Market Retention (IMR) rate and interruptible industrial gas rate.

2.    A Notice of Opportunity for Public Hearing was issued and no protests nor requests for hearing were received.

## CONCLUSIONS OF LAW

1.    Applicant is a "public utility" within the meaning of Section 69-3-101, MCA.

2.    The Montana Public Service Commission properly exercises jurisdiction over the Applicant's Montana operations pursuant to Title 69, Chapter 3, MCA.

## ORDER

1.    Rates approved on an interim basis are hereby made permanent.

DONE IN OPEN SESSION at Helena, Montana this 11th day of May, 1992 by a 4 - 0  vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION


_____
DANNY OBERG, Chairman


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WALLACE W. "WALLY" MERCER, Vice Chairman


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BOB ANDERSON, Commissioner


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TED C. MACY, Commissioner


ATTEST:


_____
Ann Peck
Commission Secretary

(SEAL)


NOTE:    Any interested party may request that the Commission
         reconsider this decision.  A motion to reconsider must be
         filed within ten (10) days.  See 38.2.4806, ARM.